

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

December 14, 2007

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Kauai

Consent to Assign General Lease No. S-5824, Andy B. Alfiler and Mary G. Alfiler, Assignor, Andy B. Alfiler and Mary G. Alfiler, and LBD Coffee, LLC, Assignees, Kapaa, Kauai, Tax Map Key: (4) 4-6-05:11.

APPLICANT:

Andy B. Alfiler and Mary G. Alfiler, as Assignor, to Andy B. Alfiler and Mary G. Alfiler, husband and wife, Tenants by the Entirety with 50% interest and LBD Coffee, LLC, Foreign Limited Liability Company with 50% interest, whose mailing address is 6200-B Kawaihau Road, Kapaa, Kauai 96746, as Assignees.

LEGAL REFERENCE:

Section 171-36(a) (5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Kapaa situated at Kapaa Homesteads, First Series, Kapaa, Kawaihau, Kauai, identified by Tax Map Key: (4) 4-6-05:11, as shown on the attached map labeled Exhibit A.

AREA:

4.11 acres, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CHARACTER OF USE:

Intensive agricultural purposes.

TERM OF LEASE:

30 years, commencing on October 1, 2005 and expiring on September 20, 2035. The next rental reopening is scheduled for October 1, 2015.

ANNUAL RENTAL:

\$792.00

CONSIDERATION:

Gratis

RECOMMENDED PREMIUM:

Not applicable. The consideration is gratis.

DCCA VERIFICATION:

ASSIGNOR:

Assignor is sole proprietorship and, as such, is not required to register with DCCA.

ASSIGNEES:

Andy b. Alfiler and Mary Alfiler are sole proprietorship and, as such, are not required to register with DCCA.

LBD Coffee, LLC.

Place of business registration confirmed:	YES	<u>X</u>	NO	<u> </u>
Registered business name confirmed:	YES	<u>X</u>	NO	<u> </u>
Good standing confirmed:	YES	<u>X</u>	NO	<u> </u>

REMARKS:

Andy and Mary Alfiler acquired GL S-5824 through public auction held on July 29, 2005. This lease is for thirty years commencing on October 1, 2005 and will end on September 20, 2035.

On May 31, 2006 we received a request for the assignment. Andy and Mary Alfiler along with Les Drent, Manager of LBD Coffee, LLC. Will become co-lessees of General Lease No. S-5824 and will be able to utilize the land to it full potential.

Mr. Drent of LBD Coffee, LLC is presently growing organic coffee on Kauai within the Kawaihau area under the brand name of Coffee Time since 1993.

December 14, 2007

Assignees have not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.


There are no outstanding rental reopening issues. Andy and Mary Alfiler are in compliance with all lease terms and conditions (rent, insurance, performance bond, conservation plan).

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. S-S-5824 from Andy B. Alfiler and Mary G. Alfiler, as Assignor, to Andy B. Alfiler and Mary G. Alfiler, and LBD Coffee, LLC, as Assignees, subject to the following:

1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
2. Review and approval by the Department of the Attorney General; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

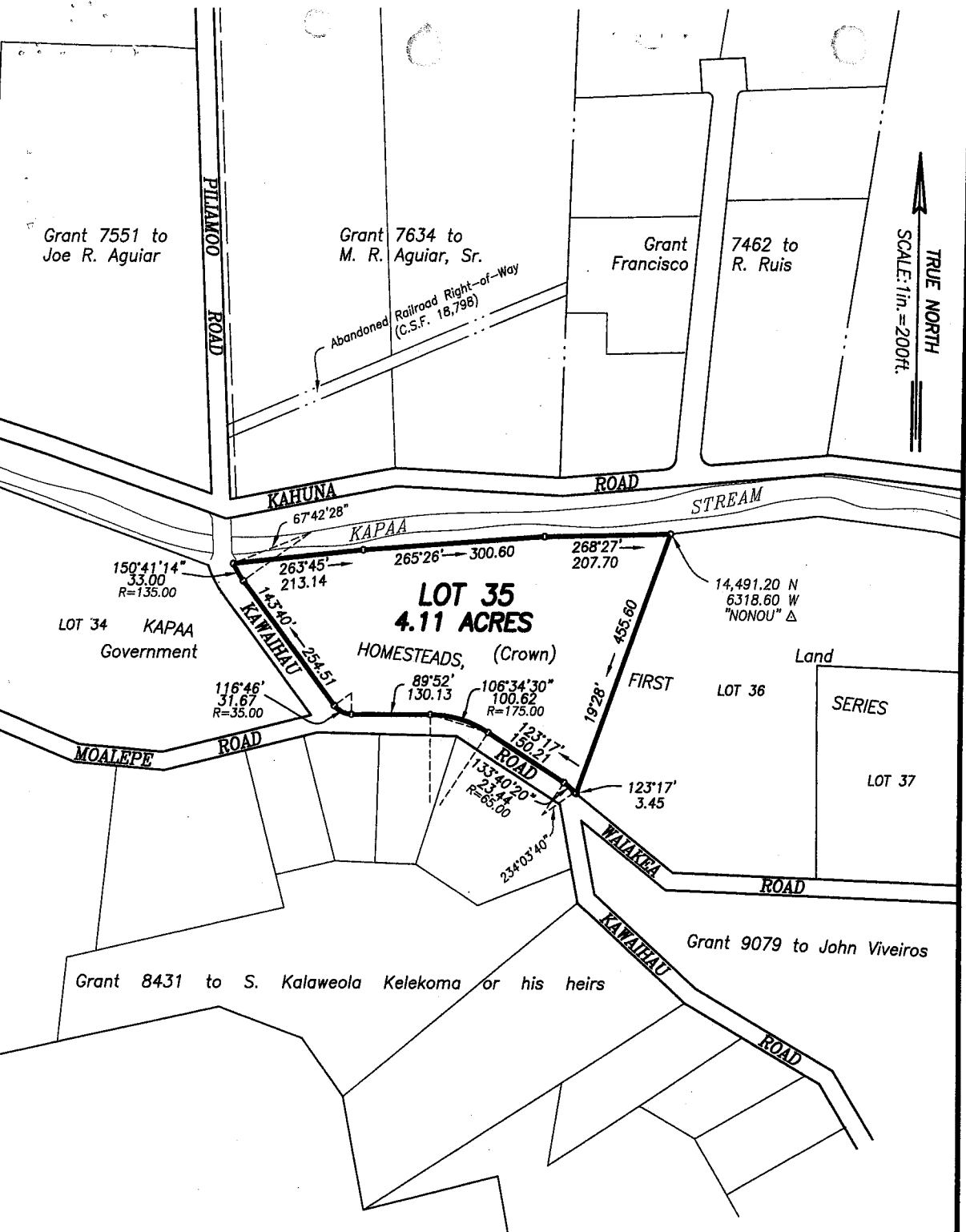
Respectfully Submitted,


for Thomas Oi
Kauai District Land Agent

APPROVED FOR SUBMITTAL:


Laura H. Thielen, Chairperson





(REVISED-DECEMBER 2005)

KAPAA HOMESTEADS, FIRST SERIES

LOT 35

Kapaa, Kawaihau, Kauai, Hawaii

Scale: 1 inch = 200 feet

OB K-160(99)

. BK.

AX MAP 4-6-05 : 11

S.F. NO. 24,174

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

JGL December 23, 2005

EXHIBIT A